

Before the State of South Carolina
Department of Insurance

In the matter of:)
)
Mortimer S. Lancaster,)
)
148 McArthur Street)
Spartanburg, South Carolina 29302.)
_____)

SCDI File Number 2000-103727

Consent Order
Imposing Administrative Penalty

114
RECEIVED
GENERAL COUNSEL
AUG 21 2000
STATE OF SOUTH CAROLINA
DEPARTMENT OF INSURANCE

This matter comes before me pursuant to an agreement entered into between the State of South Carolina Department of Insurance and Mortimer S. Lancaster, a licensed South Carolina resident insurance agent.

Upon review of this matter, I hereby find as fact, that Lancaster failed to timely pay the year 1999-2000 continuing education fee (the CE fee) required by S.C. Code Ann. § 38-43-106(D) (Supp.1999) and Reg. 69-50 § VIII. Lancaster acknowledges that he did not pay the required fee on or before the May 1, 2000 deadline. However, Lancaster contends his failure to pay the fee resulted from inadvertence and oversight and not from any intent to avoid the requirements of the law. He further contends that he attempted to pay the fee before the Department initiated any administrative action against him. Nevertheless, Lancaster's failure to meet the administrative deadline is an act which can ultimately lead to the revocation of his license to transact the business of insurance as an agent in South Carolina following a public hearing at the Administrative Law Judge Division pursuant to S.C. Code Ann. § 38-43-130 (Supp.1999).

Prior to the initiation of any administrative proceedings by the Department against him, Lancaster and the Department agreed to submit the entire matter to me, along with their specific recommendation, for my summary decision, rather than to proceed toward a formal public hearing. The consensual recommendation was that, in lieu of the Department seeking to revoke Lancaster's resident insurance agent license, he would waive his right to a public hearing and immediately pay an administrative fine in the total amount of \$250.

Section 38-43-106(D) of the South Carolina Code makes insurance agents "responsible for payment to the continuing education administrator of a reasonable annual fee for operation of the continuing education program." Section § 38-43-130 states, in pertinent part, that the Director of Insurance may revoke an agent's license "when it appears that an agent...has violated this title or any regulation promulgated by the Department, or has willfully deceived or dealt unjustly with the citizens of this State."

After a thorough review of the record, and pursuant to my findings of fact, I hereby conclude as a matter of law that Lancaster has not complied with S.C. Code Ann. § 38-43-106(D) and 25A S.C. Code Ann. Reg. 69-50 §VIII (Supp. 1999). As a result, I can now take administrative

 Mortimer S. Lancaster

Mortimer S. Lancaster
File Number 103727
10 August 2000
Page 2

Section 38-43-130 states that you are procedurally entitled to ten day's notice before any action can be taken in this regard, and that you are entitled to be heard upon this charge. Therefore, this letter constitutes statutory notice that the Department will request the Director to summarily revoke your insurance agent's license 10 days from the date you receive this letter. If you wish to be heard upon this matter, you must notify my office in writing within the 10-day period so that a public hearing can be scheduled. At that public hearing, you will have the opportunity to be represented by an attorney of your choice.

If you do not either sign and return the enclosed consent order or request a public hearing within the statutorily allotted time, the Department will assume that the allegations contained in this letter are true and hold you in default. The Director will summarily order the revocation of your license, and the Department will file that decree as a public record within its offices.

Any questions in this matter should be directed to my attention. My office number is (803) 737-6132.

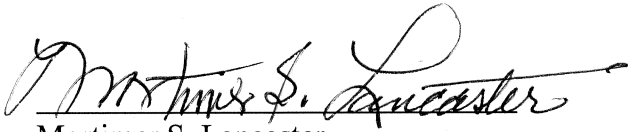
Sincerely,



T. Douglas Concannon
Associate General Counsel

Enclosure

I CONSENT:

A handwritten signature in cursive script, reading "Mortimer S. Lancaster". The signature is written in dark ink and is positioned above the printed name.

Mortimer S. Lancaster
148 McArthur Street
Spartanburg, South Carolina 29302

Dated this 18 day of August 2000